

#### IV. ECONOMIC FLATLINERS—PLACES LEFT BEHIND IN RURAL AMERICA

The Nation's economic challenges are not confined to the cities and suburbs in metropolitan areas. Many rural communities are struggling as well, especially in Appalachia, the Mississippi Delta, Indian Country, and the borderland Colonias. In these and other areas, rural communities have been mired in poverty and joblessness for decades. Their economic fortunes are like flat lines against the cycles of growth and contraction that have re-shaped the Nation over decades.

In many cases, poverty is different in rural America. It is generally more dispersed, not found in the high concentrations we find in many of America's central cities. Rural poverty is often symptomatic of a region's narrow economic base—a focus on “extractive industries” like mining or agriculture, for example, to the exclusion of other kinds of activity. Isolation also plays a distinct role in shaping rural poverty. Our rural communities are not only isolated from the investment capital that cities are (relatively) more successful at attracting; rural places are also more isolated from the diversity of institutions and networks that can mobilize responses to the complex problems of chronic poverty and joblessness. Despite the many strengths of rural communities and the remarkable achievements of innovative small town governments, committed businesses, community foundations, local nonprofits, and other indigenous institutions, rural America does not yet have the institutional life and infrastructure from which cities naturally benefit.

The “vital statistics” of these rural places left behind are often staggering, for example:

- **Mississippi Delta:** The Mississippi River Delta region, which extends across 7 States and has historically faced extreme poverty and high rates of unemployment, continues to struggle. For example, Coahoma County, Mississippi lost 1 in 7 residents (14.3 percent of its population)

between 1980 and 1996 and had a staggering poverty rate estimated at 37.4 percent in 1995. Chicot County, Arkansas and Madison Parish, Louisiana both lost more than 1 in 7 residents during 1980–96, and the poverty rate for 1995 in Chicot County was 37.8 percent, while in Madison it was 36.9 percent.

- ***The Colonias:*** The Colonias—informally settled and mostly unincorporated communities located in a four-State region along the U.S.-Mexico border—are home to large numbers of immigrants who secure mostly low-wage employment, if they find work at all. For example, Luna County, New Mexico saw its population increase by 48.1 percent between 1980 and 1996, yet, the poverty rate stood at 31.5 percent in 1995 and the average monthly unemployment rate last year was 26.9 percent—nearly six times the national average. Cochise County, Arizona had a similar experience, with a population increase of nearly 30 percent between 1980 and 1996 and a 1995 poverty rate of 20.3 percent. Hidalgo County, Texas had a poverty rate of 42 percent in 1995 and unemployment of 18 percent—four times the national average rate for last year.
- ***Indian Country:*** Native Americans have long endured high rates of joblessness and poverty and, despite some economic successes on reservations, face continuing challenges in attracting private investment and creating new jobs. Two striking examples: nearly half the residents in Todd County, South Dakota (45 percent), where the Sioux predominate, were poor in 1995. And with a staggering poverty rate of 48.7 percent, Menominee County, Wisconsin, home to the Menominee tribe, is also struggling as it has for many years.
- ***Appalachia:*** The 12-State Appalachia region continues to reel from the decline in mining and other extractive industries that once loomed large in the national economy. Many of Appalachia’s communities

persist in isolation and deep poverty. Magoffin County, Kentucky faced an unemployment rate three times the national average (13 percent) last year and poverty at over 41 percent as of 1995. Webster County, West Virginia lost almost 15 percent of its population between 1980 and 1996, and over a third (34.8 percent) of those that remained lived in poverty in 1995. And although it has seen a small gain in population since 1980, Fentress County, Tennessee still faces an extremely high poverty rate, estimated at 32.3 percent in 1995.

Some of the most isolated rural places are literally nonparticipants in the tremendous economic changes that have swept the Nation over this century. But now, with the strongest economy in our history, we can include these places in the promise of growth and vitality that all communities deserve.